

COURTHOUSE NEWS

A Summary of Topical Highlights from decisions of the
U.S. District Court for the District of Oregon
A Court Publication Supported by the Attorney Admissions Fund
Vol. X, No. 10, December 10, 2004

Preemption by Section 301 - NLRA

Defendant filed a motion for summary judgment asserting that plaintiff's claim for defamation is preempted as a matter of law by Section 301 of the National Labor Relations Act.

Judge Aiken granted defendant's motion finding that resolution of the claim is "inextricably intertwined with consideration of the terms of the labor contract." Specifically, the court held that the collective bargaining will need to be construed to determine if the defendant had a qualified privilege to make the statement at issue.

Kofoed v. Shiprack,
CV 04-558-AA
(Opinion, November 2, 2004)
Plaintiff's Counsel: George Fisher
Defense Counsel: Norman Malbin

Breach of Contract

Plaintiff, a collateral-based inventory financier, brought this breach of contract action against the manufacturer

of top-of-the line motorhomes. The Oregon manufacturer allowed the retail customer to take factory delivery of his new motorhome, a unit which the dealer in Florida sold out of trust shortly before filing for bankruptcy. The threshold issue is whether the manufacturer complied with the floorplan repurchase agreement's warranty that the motorhome had been "shipped to" the dealer no more than ten days before the date of the invoice. Judge King concluded that the meaning of "shipped to" was ambiguous and could not be resolved on summary judgment.

Bombardier Capital, Inc. v. Monaco Coach Corp.,
CV 03-1553-KI
(Opinion, November 16, 2004)
Plaintiff's Counsel: Loren Podwill, Tonya Van Wallegem
Defense attorney: Kenneth Childs

Employment

Plaintiff city employee brought suit against the City of Culver asserting civil rights violations pursuant to 42 USC 1983, violation of state law

pursuant to Or. Rev. Stat. 659A.203, 659A.885, and a claim for common law wrongful discharge. Defendant moved for summary judgment on all claims.

Judge Aiken found genuine issues of material existed as to plaintiff's section 1983 claim (violation of plaintiff's civil rights by retaliating against her for exercising her First Amendment right to free speech), and regarding plaintiff's state whistle blower claim (plaintiff's reports of supervisor's alleged misuse of City credit card). Judge Aiken found, however, that plaintiff's wrongful discharge claim is not available to the plaintiff because plaintiff's claims under federal and state law offer remedies that exceed those available under the common law. Summary judgment was granted on that claim.

Alire v. City of Culver,
CV 03-6289-AA
(Opinion, December 2, 2004)
Plaintiff's Counsel: Paul Speck
Defense Counsel: Karen O'Kasey

Labor - Employee Benefits

Plaintiffs, a group of retirees and spouses of retirees, became beneficiaries of defendant's health and welfare benefits plan pursuant to a series of collective bargaining agreements. Plaintiffs brought suit to stop defendant's pending changes to the Plan, which they alleged would reduce their benefits. They alleged breach of collective bargaining agreements in violation of the Labor Management Relations Act (LMRA), common law breach of fiduciary duty, and Oregon wage claims.

Judge Jones denied a defense motion to dismiss the LMRA claims. The court found the collective bargaining agreement ambiguous where one clause apparently granted retirement benefits to plaintiffs for a definite period while another clause reserved defendant's right to modify or terminate the plan at any time. The court agreed with plaintiffs that admission of extrinsic evidence was appropriate to help interpret the agreement.

The court granted a defense motion to dismiss the breach of fiduciary duty and Oregon wage claims, holding that they were

preempted and precluded by federal law. The court held that any fiduciary duty that might have existed arose out of the collective bargaining agreements or from defendant's administration of the benefits plan, requiring preemption by either the LMRA or ERISA. The wage claim was preempted essentially because it was a restatement of their LMRA claim for breach of the collective bargaining agreement.

Baumgardner v. Smurfit-Stone Container Corp.

CV 04-730-JO
(Opinion, December 2, 2004)
Plaintiff's Counsel:

Thomas K. Doyle
Defense Counsel:
Joel A. Mullen

Personal Injury - Products Liability

Plaintiff brought suit against a manufacturer of an artificial knee component alleging that it was defective and unreasonably dangerous and that such defective component caused plaintiff personal injury.

The defendant moved for summary judgment. Judge Aiken denied defendant's motion finding that there exists at least a disputed issue of fact as to whether defendant's product was defective and unreasonably dangerous.

Waters v. Sulzer Orthopedics, Inc.

CV 02-6243-AA
(Opinion, November 2, 2004)
Plaintiff's Counsel: Doug Shaller
Defense Counsel: Eric Neiman

Standing

Defendant moved to dismiss plaintiff's complaint pursuant to Fed. R. Civ. P. 12(b)(6) alleging that plaintiff did not have standing to assert his claims.

Plaintiff filed this action against the defendant alleging three causes of action arising out of a terminated contract. Those claims were breach of contract, breach of the covenant of good faith and fair dealing, and misappropriation of trade secrets.

Judge Aiken found grounds to grant defendant's motion to dismiss due to lack of standing, however, granted plaintiff leave of court to file an Amended Complaint clarifying this issue; and stayed defendant's motion to dismiss pending further filings.

Morris v. Cadence Design Systems, Inc.

CV 04-877-AA
(Opinion, November 2, 2004)
Plaintiff's Counsel: Nena Cook
Defense Counsel: Richard Meneghello

3 The Courthouse News